



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

May 22, 2008

**H.R. 5876  
Stop Child Abuse in Residential Programs for Teens Act of 2008**

*As ordered reported by the House Committee on Education and Labor  
on May 14, 2008*

**SUMMARY**

H.R. 5876 would authorize the appropriation of \$250 million per year for fiscal years 2009 through 2013 for child abuse prevention programs. CBO estimates that implementing the bill would cost \$805 million over the 2009-2013 period, assuming appropriation of the authorized amounts.

Enacting H.R. 5876 would not affect direct spending. The bill would create new civil penalties, which CBO estimates would have an insignificant effect on revenues over the 2009-2018 period.

H.R. 5876 contains mandates on the private sector as defined in the Unfunded Mandates Reform Act (UMRA) but CBO estimates that the direct costs of those mandates would be below the annual threshold established by UMRA (\$136 million in 2008, adjusted annually for inflation).

H.R. 5876 contains no new intergovernmental mandates as defined in UMRA. The bill would establish additional eligibility requirements for states that receive grants for the prevention of child abuse and neglect and for treatment programs, but such requirements would be incurred voluntarily.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 5876 is shown in the following table. The costs of this legislation fall within budget functions 500 (education, training, employment, and social services) and 600 (income security).

	By Fiscal Year, in Millions of Dollars					2009-
	2009	2010	2011	2012	2013	2013
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>						
Grants and Other Activities						
Authorization Level	200	200	200	200	200	1,000
Estimated Outlays	11	98	142	178	193	622
Enforcement of Standards						
Authorization Level	50	50	50	50	50	250
Estimated Outlays	15	28	40	50	50	183
Total						
Authorization Level	250	250	250	250	250	1,250
Estimated Outlays	26	126	182	228	243	805

a. The bill would increase revenue by less than \$500,000 in 2009 and over the 2009-2018 period.

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that H.R. 5876 will be enacted near the end of fiscal year 2008, the amounts authorized by the bill will be appropriated by the beginning of each fiscal year, and outlays will follow historical spending patterns.

H.R. 5876 would authorize the appropriation of \$200 million per year for various purposes related to combating child abuse and neglect, including grants and research. (The current authorization, which provides such sums as may be necessary, expires at the end of fiscal year 2008.) In 2008, \$64 million was appropriated for those activities. The bill also would authorize the appropriation of \$50 million per year for fiscal years 2009 through 2013 to assist with enforcing new standards for certain residential treatment programs for children.

## **ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS**

H.R. 5876 contains no intergovernmental mandates as defined in UMRA. The bill would establish additional eligibility requirements for states that receive grants for the prevention of child abuse and neglect and for treatment programs. As conditions of assistance, those requirements would be incurred voluntarily.

## **ESTIMATED IMPACT ON THE PRIVATE SECTOR**

H.R. 5876 contains mandates as defined by UMRA on operators of private residential programs for teenagers with emotional, behavioral, or mental health problems or disorders, or who have problems with alcohol or substance abuse. The covered programs may include, among others, those that provide a wilderness or outdoor experience as well as boot-camps that simulate military training. The bill delineates minimum health and safety standards those programs must meet.

Many states already have standards that residential programs for youth must meet, and some industry groups regulate themselves by requiring members to pledge to follow certain guidelines. Consequently, the additional cost of complying with the mandates in the bill would vary widely depending on the conditions under which the program currently operates. CBO expects that the direct cost of the mandate to private-sector entities would be below the annual threshold established by UMRA for private-sector mandates (\$136 million in 2008, adjusted annually for inflation).

### **ESTIMATE PREPARED BY:**

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